

California Travel and Tourism Commission

Proposed \$18.25 Million Marketing Plan | June 2005



www.visitcalifornia.com

**California has a unique opportunity to
stimulate its economy...
generating new spending, jobs and tax revenues
by aggressively promoting the state
as the premiere destination of choice
among prospective travelers.**

California
FIND YOURSELF HERE

This document will provide marketing objectives, strategies and tactics for increasing tourism to and within California with additional public and private sector funding which totals \$18.25 million.

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I. Background/Situation Analysis

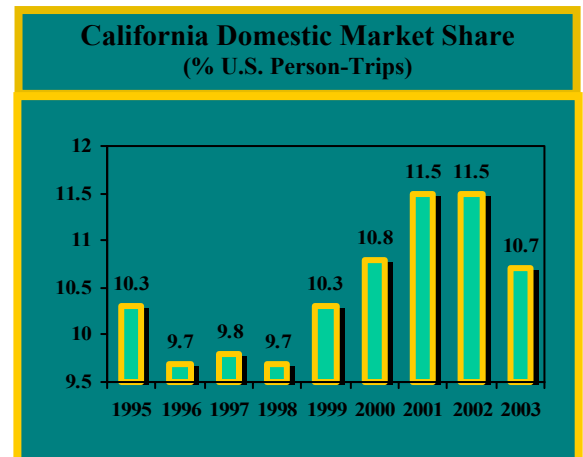
As the number one travel destination in the United States, California annually generates \$82.5 billion in direct travel spending into the economy, directly supports jobs for nearly 900,000 Californians and generates \$5.2 billion in direct state and local tax revenues. On average, every \$92,400 of travel spending supported one job in California.¹

Recent advertising efforts to stimulate travel and tourism in California have been very successful. In terms of return on investment (ROI), the conservative measure of the immediate short-term/incremental impact of the domestic advertising campaign alone indicated that each \$1 in advertising generated \$4.35 in additional tax revenue for the state, and that the cumulative total of long-term influenced travel could be as high as \$19.46 in tax revenue for each \$1 of advertising expenditures (directly influencing 4.9 million visitors, totaling \$1.99 billion in travel and tourism spending, and \$80.1 million in tax revenues - \$19.46 to \$1 ROI).²

The California Travel and Tourism Commission (CTTC) therefore proposes **leveraging assessed business funds with state-generated funds** to bring back the public-private partnership that was so successful in creating these strong economic returns.

California Tourism's Market Share and ROI

It is significant to note that from 1998 to 2002, when the CTTC's marketing budget was fully funded at approximately \$14 million annually, a strong and comprehensive program was in place and California's domestic market share increased from **9.7 percent to 11.5 percent**. This increase reversed a decade-long decline, and resulted in an additional: 50.7 million person trips, \$8.7 billion in visitor spending, 120,833 California jobs, and approximately \$539 million in direct tax revenues³. Conversely, when funding was either eliminated or inconsistent during the late 1980s, and early 1990s, California experienced a dramatic decline of domestic and international market share amongst competing states and destinations.



Source: DK Shifflet

Timing is Urgent

Restoration of the public investment in tourism development is urgent. Given the current global stability, in-bound international and domestic travel to and throughout the United States is finally on the rise, since the record lows created by the September 11 attacks. Coupled with a weak U.S. dollar, a primary opportunity exists for California to capture its fair share of this new visitor spending. However, the situation and outlook could dramatically change, thus substantially decreasing the current opportunity, given the precarious global economic and security environment.

The Need for State Funding

The state's investment in this partnership is critical in order to achieve long-term success of increasing visitor expenditures to and throughout all of California. Currently,

¹ Source: Dean Runyan Associate, 2005

² Strategic Marketing and Research, Inc. (SMARI) 2004

³ D.K. Shifflet

approximately 80 percent of the assessed business funds come from tourism businesses contained within the four metropolitan areas of San Francisco, Los Angeles, Orange County, and San Diego. Since the elimination of public funding two years ago, there has been increasing pressure to only promote the areas which pay into the program, leaving California at a substantial competitive disadvantage, since the other destinations within the state (largely rural areas that have double-digit unemployment rates) could be left out of the promotional mix, and thus provide potential new and repeat visitors fewer reasons to visit California. Further, the public portion of the partnership creates an incentive for businesses to participate entirely since their individual assessments are fully leveraged by the public sector. Without the public investment, there is little incentive to continue the assessment, as businesses believe their assessment would be better spent on a local level.

Increased Funding Allocated to Advertising with Highest ROI

With a total tourism budget of \$18.25 million, the CTTC would commit \$7-\$10 million directly to advertising to generate the strongest ROI. The remaining portion of the \$18.25 million budget would be dedicated to other domestic and international promotional activities to leverage the advertising effort, such as: cooperative marketing activities, media relations/publicity, trade shows, international offices, Web site development and collateral/brochures production and distribution. Through the years, the award-winning "California, Find Yourself Here" advertising campaign, including television, radio and print mediums, has generated a strong ROI. In terms of ROI, the conservative measure of the immediate short-term/incremental impact of the domestic advertising campaign alone indicated that each \$1 in advertising generated \$4.35 in additional tax revenue for the state, and that the cumulative total of long-term influenced travel could be as high as \$19.46 in tax revenue for each \$1 of advertising expenditures (directly influencing 4.9 million visitors, totaling \$1.99 billion in travel and tourism spending, and \$80.1 million in tax revenues - \$19.46 to \$1 ROI).⁴

Augmented Funding will Expand Advertising Plan and ROI

An \$18.25 million total budget would enable California to increase its advertising plan from \$2.5 to \$7-\$10 million, significantly growing key market coverage. The advertising plan alone would allow California the opportunity to finally achieve a **year-round presence via national cable**, a media tactic used by many of our key competitors to reach opportunity states with the largest populations. Travel research specialists conservatively project that a \$10 million advertising budget would generate an additional \$3.8 billion in travel expenditures and \$75-\$85 million in additional tax revenues.⁵

The following pages outline the marketing plan strategy, objectives and tactical elements given the restoration of the public-private partnership created by the California Tourism Marketing Act.

⁴ Strategic Marketing and Research, Inc. (SMARI)

⁵ Strategic Marketing and Research, Inc. (SMARI) January 2005 advertising ROI projections utilizing the past eight years of California advertising results and other stabilization tactics to adjust for external factors.

II. Market Dynamics

Domestic Markets

Travel Volume is Up

The travel category appears to be relatively healthy, with total volume growing four (4) percent in 2003. Leisure travel, and particularly overnight leisure travel, is driving the growth. Randall Travel Marketing projections for 2004 indicate that most segments will see growth. The following are excerpts from a recent report:

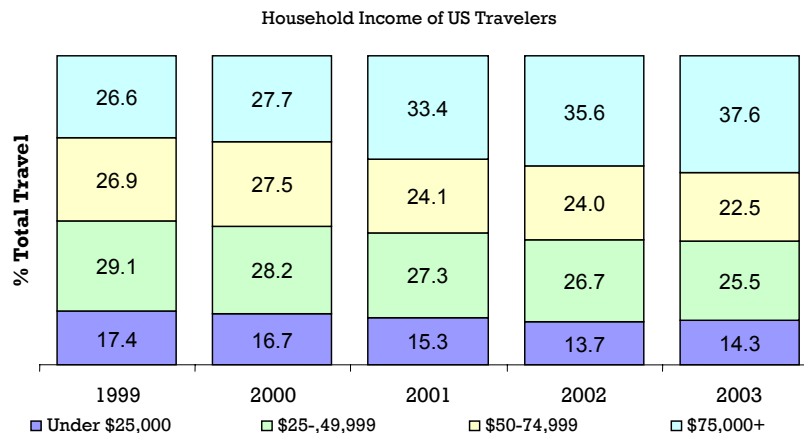
- Leisure: growth will continue and per person spending will increase
- Business: flat to slight growth with many business travelers being restricted in their spending
- Meetings: continuing to be challenged for destination marketers, flat growth expected and some increase in meeting consolidation for travel managers
- Group/tour: increases with providers becoming more creative in their product offerings

More recent data from Smith Travel Research indicates that 2004 hotel occupancy in the United States is up five (5) percent compared with 2003.

High-End Travel Is a Growth Trend For The Travel Industry

The industry data shown below illustrates that compared to 1999, the only income segment that has grown is \$75,000+ (up 41 percent in 2003 compared to 1999)

- In 1999, household incomes of \$75,000+ represented 26.6 percent of total U.S. travel
- In 2003, that number was 37.6 percent



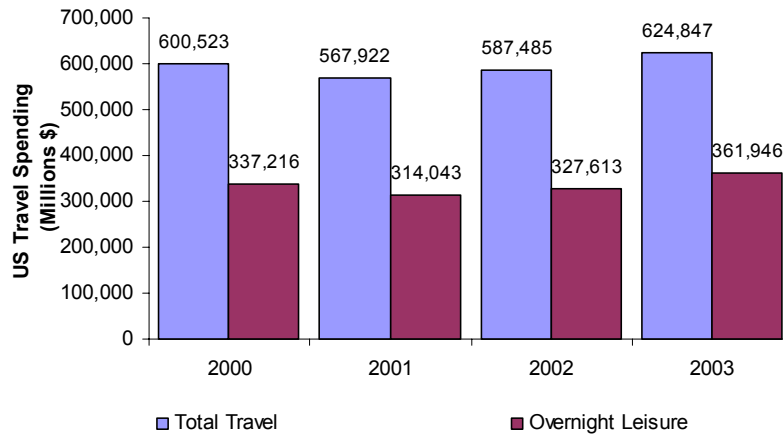
Source: DK Shifflet 2003 Year End Summary

And, not only do affluent households take more trips, spend more and fly more, it is a segment that is going to continue to grow, according to Randall Travel Marketing research, due primarily to the infusion of the baby-boomer generation and more multi-income households.

Travel Expenditures Are Up On a Nationwide Basis As Well

Travel expenditures, in total and among overnight leisure travelers, has now surpassed pre-September 11 levels of 2000.

- Comparing 2003 to 2002:
 - Total travel expenditures are up six (6) percent
 - Overnight leisure expenditures are up ten (10) percent



Source: DK Shifflet 2003 Year End Summary

Other trends in the travel industry,

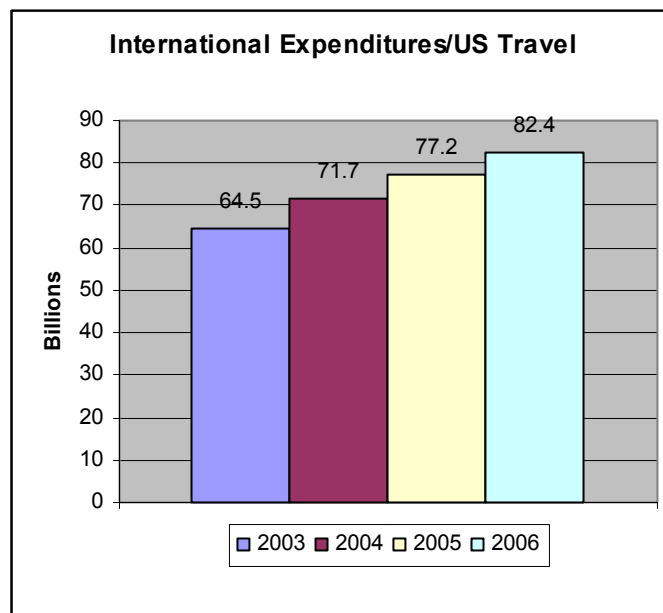
- Consumers are bargain-brained - suspicious of travel prices, and concerned that whatever they pay, it will be more than what other people pay
- Travelers are continuing in their last-minute trip planning behavior - recent online study by Penn, Shoen and Berland reported that 17 percent of leisure travelers are planning their trips within two weeks of departure!
- Growth in “theme” and “immersion travel” - these trips represent a total escape from everyday routines, such as dude ranches, wildlife excursions and space camps for adults

Source: Randall Travel Marketing

Market Dynamics - International

2004 Saw Significant Growth in International Travel, and Continued Growth is Projected

- The World Tourism Organization (WTO) data indicates that overall, international travel was up 20 percent per year over three years.
- According to the Travel Industry Association (TIA):
 - International visits to the U.S. (not broken out business versus leisure) increased from 40.4 million in 2003 to 42.5 million in 2004 and will increase to 44.9 million in 2005 (+5 percent)
 - Total travel expenditures in the U.S. by international visitors are projected to grow steadily as well. See chart below for annual projections.



Source: TIA

- According to CTTC travel representatives overseas, outbound travel from key international markets (Japan, Germany & Australia) have met or exceeded pre-September 11 levels (United Kingdom projected to hit this milestone in 2005)

Strong exchange rate, good/growing airlift capacity, low unemployment and positive perceptions towards California contribute to projected increases in 2005 for California international visitation

The following are projections for 2005 travel to California:

- Japan: projects three (3) percent growth
- Australia: projects eight (8) percent growth and tour operators report double-digit gains in bookings to California

Competitive Pressure for International Markets is Consistent and Daunting

The following provides an indication of the competitive advertising spending in key international markets for California:

- **United Kingdom:**
 - Australia \$12 million
 - Canada \$2 million
 - South America, Caribbean and South Africa all with highly visible campaigns in marketplace (detailed budgets unknown)
- **Japan:**
 - Australia \$13-\$14 million
 - Hawaii \$7.5 million
 - Asia \$2 million
 - Guam \$3 million
 - Ontario \$1 million
- **Germany:**
 - Australia \$4.5 million
 - South Africa \$2-\$4 million
 - Canada \$3.5 million

III. Business Goals

- **Achieve annual increases in California's travel volume**
 - Domestic and international visits
- **Grow California's share of U.S. travel**
 - Total and leisure
- **Continue to increase revenues (direct travel spending and taxes) to the industry and state**

Long Term:

- **Increase volume from key domestic and emerging international markets:**
 - Texas, Illinois and New York
 - China, India, Canada, Mexico and Western Europe

IV. Marketing Objectives

- Stimulate positive, top-of-mind awareness of California as a 'premiere' destination
- Persuade target audiences to choose California as their travel/vacation destination
- Develop domestic and international markets for California with an emphasis on markets which bring new tourists, thus, new revenue into the state
- Conduct travel and tourism marketing that individual businesses and destinations within the state cannot do, as effectively, on their own
 - Complement and supplement (not duplicate) the industry's marketing efforts
- Leverage resources to extend and maximize overall reach and impact of the program

V. Positioning

California Owns Diversity – but it's Our Unique Lifestyle that Makes People Want to Come Here

Other destinations may claim to be diverse and try to position themselves on diversity, but research shows other states can not compare to what California has to offer.

Our focus group research findings indicate that leisure travelers say that California is a place where it is impossible to see everything on one trip. Regardless of the number of visits made to the state, there is always something new and different to experience. Consumers describe California as being superlative in every way. From our cuisine, entertainment, culture, geography, topography, to scenic beauty - California has it all and it is better.

However, qualitative research has shown that diversity doesn't fully brand the California experience, since diversity can be simplified to the rational/functional benefit of 'lots to see and do.' (Most states make this same claim)

In order to not compete on rational/functional attributes our program will continue to leverage our core differentiator: our unique and highly desirable lifestyle. As a culture we are hedonistic, youthful, laid-back, dynamic, individualistic, innovative, pleasure-seeking people. The "California Attitude" is the vacation attitude. Our qualitative research tells us that California essentially already owns what leisure travelers want from their vacation experience. This aspirational attitude works on many levels, and is as powerful on an international basis as it is domestically.

VI. Target Audiences

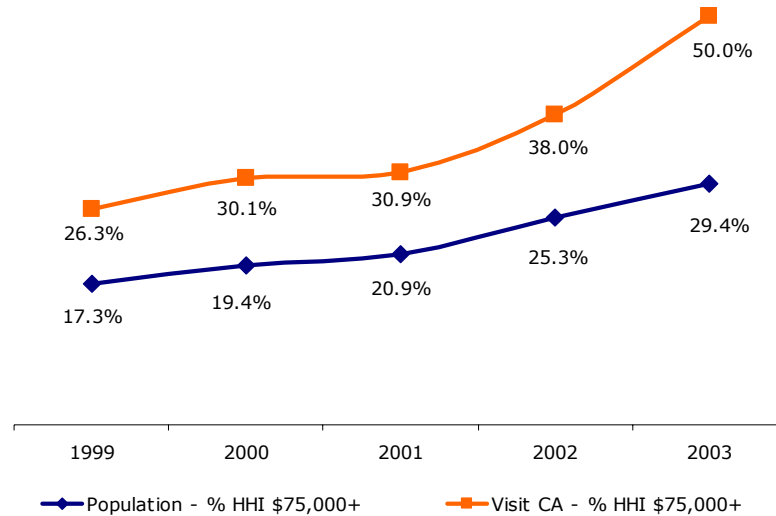
Primary Target: Domestic Leisure Travelers

Demographic:

Affluent Leisure Travelers (Out-of-state and In-state), defined as Household Income (HHI) \$75,000+

More than ever affluent travelers are becoming more important to California tourism. This segment currently represents 50 percent of those that visit California, 25 percent of U.S. households and 63 percent of the nation's wealth.

This segment continues to grow due primarily to infusion of the baby-boomer generation and more multi-income households. The chart below indicates the growth of affluent travelers (HHI \$75,000+) to California over the past five years. The income of these travelers outpaces the trend of the general population.



Psychographic: (What they like, think and feel)

Affluent travelers are indulgent, hedonistic, pleasure-seeking, adventurous, curious, dynamic, experiential, confident, trend-setters, and leaders. They are open to experiential travel and there has never been a destination that can better deliver new experiences and cultural excitement than California.

Secondary Targets:

1. International Leisure Travelers

The international leisure traveler is becoming increasingly sophisticated, using technology to determine a specific experience and to find the best option by which to obtain it. Providing the consumer with better communication, i.e. accurate information in their own language, increases the chance to convert the "shopper" to a "buyer." Driving the consumer to a local provider, such as a tour operator, positions California Tourism as a partner in support of the trade versus a competitor.

2. Tour Operators, Wholesalers, Travel Agents

Despite growing independence of the consumer in some markets to research and book trips, the "broker" in all markets continues to play an important role in the sell. The

consumer cannot typically match the price break through the packaging services the operator offers as a result of their buying power which allows them to secure rates lower than what the consumer can obtain directly. As more tour operators absorb retail agent arms of their business operations, the industry sector is becoming more centralized and consolidated, allowing for greater integrated exposure through individual partners in this area, whether it be e-bookers, Thompson Travel, DER or others.

3. Consumer and Travel Trade Media

Reporters, editors and influential members of the media, both domestic and international are targeted. This includes print and broadcast in the general interest consumer segments as well as travel and other appropriate niche media.

4. International Meeting and Conference Executives

In-house and third-party meeting planners, responsible for site selection, planning and execution of high-end leisure travel/incentives market and high-volume meetings travel, large conventions and conferences are targeted.

VII. Communication Objectives

As one of the world's most popular travel destinations, most travelers are already aware of California. Therefore, our point of inception for those farther away is awareness with the intent of moving California into their top consideration set. For those closer, our inception point is either acceptance or preference.

Awareness

- California as the ultimate vacation destination

Acceptance

- Here we need to get leisure travelers craving a California vacation. This can only be done by addressing the targets' needs and wants, not only from a functional perspective (diversity), but more importantly, from an emotional place (I get to become a Californian and experience the California lifestyle.) Behavior changes will not happen unless we establish a compelling need and gain acceptance and desire from our target

Preference

- Even if acceptable, other options may be preferred. As we establish the need, we also need to give people a reason to prefer the options we are recommending. Here, it is critical that the target understands and believes in the benefit of taking a California vacation

Act Now

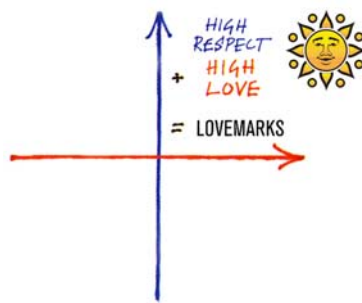
- Once we have appealed to our targets on an emotional level, we need to make it easy for them to act. All consumer communication will drive consumers to the California Tourism Web site or other appropriate source for locating more information if needed

VIII. Global Communications Strategies

The following strategies provide the foundation for achieving the objectives set forth. They also provide guidance for developing and implementing the tactical plans, which appear in section IX. Marketing Communication Mix, broken down by discipline.

1. Continue to Invest in Your Brand

California is a coveted brand. For decades consumers all over the world have had a love affair with the California mystique and unique lifestyle - transcending brand status and earning California a superior place on the Lovemarks axis.



Just like California, the sun always shines in the top right quadrant - high respect, high love.

The majority of consumers purchase with their heart and mind – or their emotions. Human beings are powered by emotion, not reason. The neurologist Donald Crane put it best: “The core difference between emotion and reason is that emotion leads to action and reason leads to conclusions.”

There is no higher emotion than “love.” Brands grow and evolve with richer and deeper emotional connections the same way people can in their lives. We will continue to market California based on what consumers desire and are most intrigued by – our coveted lifestyle and our people – developing long-term relationships with consumers that firmly positions California as a universal lovemark.

Source: The Future Beyond Brands, Lovemarks, Kevin Roberts, CEO Worldwide, Saatchi & Saatchi

2. Utilize Your Best WWW Weapons: California’s Lifestyle and Celebrity Power

According to SMARI in the “Welcome to California” TV spot, California’s celebrity power punctuates the upbeat illustration of the unique California attitude and lifestyle – connecting with consumers on an unprecedented level:

- scored significantly higher than competitive TV ads in key measures associated with likeability and persuasiveness
- received the highest scores of any destination spot ever tested by SMARI
- recall of this spot is four times greater than that of any of the print it was tested against, including our key competitors

Celebrity endorsements are utilized in the sales and promotion of every commodity around the world. Because California is home to the birth of the entertainment industry; has world champion sports celebrities; is home to more laureates and Nobel Prize

winners; and has world class icons in every category; celebrity endorsements overwhelmingly extend the California brand identity and diversity. These are powerful tools with a proven track record for making an impact and generating results – this plan significantly expands the reach of the marketing program and puts these tools to work on a much larger scale.

3. Capitalize on the High-End Growth Trend

According to D.K. Shifflet the affluent travel segment (HHI of \$75,000+) is a prime travel and tourism market

- Currently represents more than half the volume to California.
- In 2003 they were the only income segment to have grown in national volume
- And the growth of this segment among California leisure travel is up 41 percent versus 1999

In order to capitalize on this opportunity target we must expand our coverage, as the majority of them live in major urban cities outside of the Western feeder states. As a group, they travel more, fly farther, spend more and stay longer.

4. Use Partnerships and Co-op to Further California's Brand Character and Extend Our Reach

Expanded coverage of the advertising and marketing plan will open the door to a whole new level of partnerships. In the Co-op/Partnership marketing section we have identified brands whose clout we can leverage to enhance the California brand and extend the reach of our messages to new audiences across the nation and around the world.

Additionally, the use of co-op, partnerships and promotions help to provide year-round activity and support the shoulder seasons.

5. Leverage all resources, media placements and marketplace activity to increase effective buying power of our budget, add value to partnerships and create promotional opportunities to create hype and excitement around the California experience.

Bonus spots, links to the California Web site, e-mail blasts, cross promotion and inclusion in other organizations' creative and media plans – all this and more becomes a part of our toolset with a proactive approach to leveraging resources. These opportunities create promotional programs where partners can be tied-in to create program extensions that meet our strategic objectives. California's celebrity power is an obvious and hard working hook, along with the general appeal of the "California Attitude" when put in the context of media and promotion.

IX. Marketing Communication Mix

The following section outlines the recommended tactics and communication mix to effectively market California domestically and internationally.

Domestically speaking, this budget gives California the opportunity to be more competitive in terms of media spending, since historically, California does not even rank among the top 10 states in media spending. At an \$18.25 million budget, California would be in the top 10 among state spenders. (Source: Competitive Media Reporting, 2004)

These tactical plans illustrate the kinds of activities California can implement to more effectively promote tourism domestically and internationally, growing share of travel, travel volume and expenditures. This means the ability to:

- advertise/promote in development markets (key opportunity states with large populations)
- protect our base of travelers in more mature volume markets, including California

Both are important to California's travel industry, but CTTC cannot adequately do the job without funding from the state.

This budget will provide programs with enough breadth to attract partners who can meaningfully enhance and extend California's own efforts.

And finally, the leveragability of the plan at this level adds significantly to the toolset, where paid media and partnerships can be leveraged for an additional \$3-5 million in promotional activity and deliver the kind of sizzle people expect of California.

IX. (i) - Domestic Advertising

Markets:

GO NATIONAL - Cast a wider net to get a better traveler (affluent travelers, HHI \$75,000+)

In order to grow volume and share we must draw from a larger population base, and expand into larger, more affluent states to be more successful.

- Moving to a national plan will provide the most aggressive support ever for the state of California generating the greatest number of impressions to date, in a more cost effective manner

Timing:

COVER MORE OF THE YEAR - Schedule media support year-round as affordable as California is a year-round destination

- Support the key spring/summer travel season, when the greatest number of visits occur
 - Place emphasis on the affluent family target when they travel the most
- Support the fall/winter time period to promote California's expansive winter vacation options. Target affluent travelers without children since they are more likely to travel outside the peak season

- Schedule support later than previous years since trip-planning cycles continue to be shorter
 - Shorter planning cycles continue to be the norm as more people wait for bargains and use the Internet for booking

Mediums:

USE TV TO EFFECTIVELY BRAND AND PROMOTE THE CALIFORNIA EXPERIENCE WITH EMOTION AND IMPACT - Use network cable TV as the primary medium

- A national TV campaign allows us to capitalize on the high recall and good will associated with the TV campaign. (high recall, likeability, drives interest in travel to California).
 - Creative placement on targeted networks and programming will also make the cable schedule more visible and impactful
- Schedule TV to support the spring/summer travel season
- Schedule Co-op TV (tagged by partner, such as Southwest Airlines) in the spring/summer and the fall/winter
- Leverage media buys for on-air promotions with cable networks like E and Bravo

MAGAZINES - Use multi-page magazine inserts for cooperative efforts that extend budget and impact

- Schedule magazine inserts to support the spring/summer and fall/winter time periods.
- Programs include two to three publications, such as *Travel & Leisure*, *National Geographic Traveler* and *Budget Travel*.
- See IX. (iii) Domestic Co-op & Partnership Marketing section for further details.



Winter magazine insert, promoting snow sports and other California winter activities

INTERNET - Use the Internet to drive traffic to Web site and stimulate immediate interest in travel

- Advertising on travel sites should be offer-driven, leveraging the new booking engine and other promotional tools with a strong retail sell. Will continue to promote the visitcalifornia.com Web site via other mediums to drive traffic.
- See IX. (VII) Electronic Communication for other Internet tactics.

2005/2006 California Tourism Media Plans

Potential Media Scenarios

	July	August	September	October	November	December	January	February	March	April	May	June
Level One \$7 million												
Internet												
National Cable												
Spot TV												
Magazines												
This option includes 6 months of National Cable, an overlay in key spot TV markets, expands print co-ops to 4 months, year-round web activity (and assumes 4 months of partner activity)												
Internet												
National Cable												
Spot TV												
Magazines												

Spot TV Markets:

Dallas, Houston, San Antonio, Chicago, Phoenix, Portland, Seattle, Salt Lake City - actual market mix dependent upon partner support

** Activity funded by

IX. (ii) - Creative Strategy & New Creative Development

Develop new TV and print executions that extend and evolve the idea behind the proven success of “Welcome to California”

The creative strategy leverages California’s unique lifestyle and attitude. With a fresh new TV spot (featuring a new line-up of quintessential California people and places) and print campaign, the communication is expected to continue outperforming competitive advertising in terms of recall, likeability and persuasiveness and overall impact. (Focus group research findings noted below)

- **Point of Difference: Our people and their unique approach toward life**
- **Brand Character - The California Attitude**
 - Californians are:
 - Youthful, wacky, fun, inviting, laid back, hedonistic
 - Put pleasure first, live life to the fullest
- **Key Benefit**
 - When you vacation in California you get to live life like a Californian (be Californian)
- **Support**
 - Our unique blend of environment and attitude make it the ultimate vacation place (culture and people, geography, cuisine, entertainment, scenic beauty, and more)
- **Tone**
 - Reflective of the brand character
- **Desired Consumer Behavior**
 - Behavioral – Choose California as their vacation destination
 - Emotional – Leave feeling California is the ultimate pleasure place and there's no better place to re-connect, have fun, create new memories

IX. (iii) - Domestic Co-op & Partnership Marketing

Increase Frequency and Reach of Cooperative Magazine Insert Programs

Continue to offer magazine insert programs that effectively blend the brand message with the tactical activity-based co-op messaging to stimulate immediate travel interest. These programs allow industry partners to tie in at a reduced rate they could not achieve on their own. These are also obvious opportunities for tying in all major partners, such as a car or airline. These co-op opportunities have evolved into a three-book model, which has better coverage and more attraction for partners who like the additional reach in different publication titles. At the lower funding level, these are distributed in the west only.

Use key travel industry partnerships to add value, extend reach and provide a retail call to action for immediate travel

California Fares from Southwest Airlines - In an unprecedented move, Southwest Airlines is running the “Welcome to California” TV commercial in their Spring '05 media schedule, with a SWA tag promoting fares to California. For Fiscal Year

05/06, the CTTC will propose an expansion of this program to again include cooperative media support and special California fares this time in both fall/winter and spring/summer.

- This relationship opens up additional cross promotional opportunities that include PR events and editorial coverage in Southwest's *Spirit* magazine

California Road Trip CD and Hertz – The CTTC would partner with Hertz in the development and distribution of a CD-ROM of California songs (a mix of classics and contemporary songs), to be sold at point of purchase in Hertz locations. Listening to the radio in an unfamiliar market is unnecessary when you can buy a great CD mix to listen to while driving. The CD is packaged with visuals and a call to action encouraging travelers to go to visitcalifornia.com for more information.

Other Travel Industry Alliances - CTTC is working on several other key industry alliances, (credit cards, hotels, etc.) that will provide retail incentives to consumers, cross promotion and brand affiliation.

Continue to support activity-based cooperatives within the California travel industry as a means of extending visitor's stay and increasing revenues

California Ski/Snow Sports – Matching funds raised by the ski industry, the CTTC can help fund a targeted multi-media effort. Program features include co-op TV (with an airline such as Southwest Airlines), a strong Internet/e-mail component with a unique Web site, and a proactive PR campaign.

California Theme Parks - California Fun Spots - A co-op of six of California's attractions, continues to promote theme park fun in California. The Web site at CaFunSpots.com provides information for parents and fun for kids with downloadable coupons, events, insider tips, live cameras from the parks, games, activities and direct links to each of the member parks. The site is updated quarterly to provide the most accurate information. California Fun Spots is also featured in *California Drives2005* with a tear-out discount card featuring all six attractions. Participants include LEGOLAND California, Monterey Bay Aquarium, San Diego Zoo, San Diego Zoo's Wild Animal Park, SeaWorld Adventure Park and Universal Studios Hollywood.

California Golf – The California Golf TV series is now being shown on United Airlines' flights to and from the United States to Heathrow Airport in London. There are 11 daily flights each way and the projected passenger views are approximately 900,000 over the next 12 months with a purchase value of nearly \$300,000. New for 2005 is a distribution component for the annual *California Official State Golf Guide* through a new partnership with *Smart Meetings Magazine*. The *2005 Golf Guide*, released in June will be distributed by *Smart Meetings* to 32,000 meeting planners on the West Coast, further strengthening advertiser support.

Shop California - As part of Shop California's partnership with Shop America, the Shop America Tours Packages for Centers in California will be promoted and sold on the shopcalifornia.org Web site. Consumers can purchase a variety of packages including Shop & Play, Shop & Dine, Shop & Beauty, and Man of Style. Packages are currently being offered by Beverly Center and Westfield Shoppingtown MainPlace. The shopcalifornia.org Web site provides a guide to help navigate through California's varied shopping destinations, including world-class shopping centers, name-brand boutiques, outlet malls, outdoor marketplaces, specialty shops and

more. A value-added offer includes a downloadable voucher from the Web site to receive savings and incentives at participating locations. Retailers are invited to take advantage of these opportunities by joining Shop California or by obtaining a free listing at shopcalifornia.org.

Culture California - Designed to facilitate cooperative promotional projects and events, attract public and private contributions and promote a greater understanding of the economic and social benefits associated with the arts, culture and heritage - the group is underwriting an add-on to the general travel magazine cooperative insert scheduled for winter 2005. In addition to significant coverage throughout the main insert, the culture group will receive an overrun of inserts to be utilized for direct mail (using an AMEX list of card holders) and for an additional insertion in a U.S. cultural travel supplement.

Continue to provide seed-funding for syndicated TV programming to increase long-term visibility of California's diverse travel product, and offer industry partners opportunities for co-op support and visibility.

"The Best of California" – Produce an updated series based on a similar format to the 'Best of Series' produced for the CTTC. The series will be produced with a focus on wide-scale distribution within the domestic and international markets. Features will include all main attractions within the state as well as some editorially unique aspects to ensure the show is fresh and interesting to the viewer.

California Golf Series - Currently seeking syndication in domestic and international markets.

Leverage California's connection to the film industry with a promotional in-theater program

In-Theater Promotion - In a partnership program with Regal CineMedia, California will be featured in a major in-theater advertising and promotional campaign during a four-week period in October 2005. Theater lobbies will feature California displays and scenes; ticket sellers will distribute California related literature; Regal Multiplexes will feature California trip giveaways; and on-merchandise California messaging will be featured on Regal refreshment bags and cups. In the various theaters themselves, :60 second commercials on California, will sell a captured and interested audience on all the fun of California, whether that is in active sports participation, relaxing romantic getaways, or exciting and attraction-filled family vacations. This concept can be extended into the international marketplace as well.

IX. (iv) - Trade & Tourism Missions

Domestic Events:

A Taste of California in New York City (Times Square) - In order to reach the consumer and media outlets – print, television, radio, electronic – it is proposed to launch a media event to occur at Times Square ABC Studio in New York City (home of ABC's "Good Morning America"). An entertainment industry icon could make a

“Hollywood appearance” in Times Square Studio, followed by a press conference aimed to encourage travel to California.

- This event would be open to all key journalists, as well as have mass consumer appeal due to its prime location within the city. In addition, the large jumbo monitors throughout Times Square (more than 10 monitors) would be secured to broadcast the event.
- California destinations and partners (attractions, accommodations, and lifestyle partners) would have a California lifestyle event occurring at Grand Central Station. This location attracts over 500,000 people each day and would be a perfect compliment to reach this important market.

International Events:

Europe/Asia - Following the success of the recent Japan Trade & Tourism Mission, additional trips are needed to market California to the consumer and tour operators in key international markets. At the \$18.25 million budget, it is possible to attract this important market segment which is an extremely difficult and expensive component to attract. These events, in key international markets, would include showcasing the California lifestyle – food, wine, and travel offerings. Priority market includes the United Kingdom, Germany and Asia.

Travel Tips - On a quarterly basis, a two-page, full-color mini newsletter would be created with a unique California celebrity featuring suggestions on various travel activities and locations throughout the state. This would offer an insider’s view to the state and have a personal touch. Each issue would be translated for key markets – Germany, Japan, Mexico and others and would be distributed and pitched to top publications within these markets. In addition, tips would be placed on the CTTC’s Web site visitcalifornia.com. Once again, the CTTC expects these travel tips to be extremely well-received and offer high visibility to the consumers throughout the world.

Merchandising on the Web site - see IX. (vii) Electronic Communication section

IX. (v) - Communications/Media Relations

Domestic Programs

Showcase and leverage the California lifestyle with all key trade and consumer media segments (print, electronic, radio and television) in selected cities

CTTC Media Events - Each event traditionally has an attendance of approximately 40 industry partners representing destinations, attractions, ski areas, accommodations and other California-based businesses. A California-themed event featuring California cuisine, wines and destinations have been showcased. Proposed new locations include Dallas, Chicago and Phoenix which are key domestic markets and media centers.

- Media events line up:
 - California Media Events – San Francisco and Los Angeles
 - New York Press Event

Utilize services of a worldwide public relations firm to supplement in-house efforts and engage in consistent, pro-active domestic media outreach (story placements, pitching, and media programs).

Media Relations - In Fiscal Year 2003/04, the CTTC's domestic media efforts generated \$8.2 million in coverage. In addition, the CTTC annually produces over 30 feature releases and media advisories distributed to the media featuring various California themes, CTTC programs, promotions and research findings.

Domestic Media Outreach - A variety of unique opportunities are available to showcase California to the domestic media.

- Additional funds would be utilized for a satellite media tour, matte releases targeting each travel season, press trips for key journalists, photographers, filmmakers and broadcasters
- New programs would include California-themed programming and highlight giveaways and inclusion on daytime talk shows (i.e., a California week on "Regis and Kelly"), and press event/news conferences in conjunction with key events within the state (i.e., major league sporting events and award shows.)

International Communications/Media Relations Programs

The CTTC would conduct annual media missions to Japan, United Kingdom and Germany to highlight California and its travel industry partners. In addition, new media programs would be launched in each of California Tourism's primary international markets:

Leverage California's celebrities to create excitement and top-of- mind interest in California as a vacation destination.

Japan – Celebrity California Press Tour

- **Host a luxury press tour** - Newsworthy itself, with use of limousine and shooting of exclusive hotels and restaurants. Invite influential media representatives to participate in the uniquely luxurious press trip which would include some interviews and photo opportunities with key California celebrities.

Germany – California Chef Tour - Develop a partnership with top California and German chefs, restaurants, wineries and agriculture partners to conduct cooking demonstrations and appear on German lifestyle and news shows throughout Germany.

United Kingdom – Film Festivals - Develop partnership with top California brands and California film festival showcasing films with significant California scenery or settings, such as "The Birds," "Princess Diaries," "Sideways," and "Top Gun."

Continue to use traditional forms of communication to get the message out about California in mass distribution.

- **CTM Media Outreach – What's New in California** - Additional distribution and language translations for the quarterly release *What's New in California*, which currently is distributed to more than 3,000 national and international media.
- **Society Association of Travel Writers – (SATW)** - Attendance and outreach to the top travel journalists.

- **Insights** – a quarterly CTTC publication to keep the California travel industry and the travel trade media apprised of industry news and information.
- **Press Kit** – To include translated, market-specific kits and data for Japan, Germany, and Mexico media markets.
- **Videography** - Quarterly distribution of video news releases (VNR) to showcase seasonal (winter sports, water sports, holiday/shopping, etc.) California travel product/stories. CTTC's April 2004 VNR, was shown on more than 60 stations and generated over 3.1-million measurable impressions.
- **B-roll** - Includes updating all CTTC B-roll footage into High Definition (HD) format, in order to meet industry standards. (This would be a two-year process)
- **Public Relations Offices** – Due to budget constraints, the CTTC's current public relations offices offer limited services and assistance with in-market media inquiries. In order to remain competitive these offices must have adequate funding to proactively reach the media and pitch California.
 - Germany PR Contractor
 - Japan PR Contractor
 - United Kingdom PR Contractor

These secondary markets are important for California's growth and competitive analysis. With dedicated public relations offices within these markets, the CTTC could aggressively respond and pitch the media on California to key trade and consumer publications. In addition, press releases, media familiarization (fam) trips and in-market activities would occur.

- Australia PR Contractor
- Mexico PR Contractor
- Canada PR Contractor
- China PR Contractor
- **Newsclipping service** – This is a basic requirement for tracking and reporting on communications/media relations.

IX. (vi) - International Marketing

The following tactics are presented as highlights, illustrating new and expanded opportunities for promoting California in the international marketplace with the expanded funding. Prior to this level of funding, the international marketing relied almost exclusively on non-paid opportunities, hindering the reach of the program. With increased funding, the program has the proactive ability to generate awareness and preference for travel to California.

Engage the travel trade to increase their awareness of California's unique benefits, enabling them to proactively market California vacations.

- **Trade Shows - Leverage California's diversity with expanded, experiential booth presence at key shows in core and emerging markets** - In cooperation with travel industry partners, create stand environment reflective of real experiences in

California such as surfing, golf, spa treatments, food and wine-tasting, whitewater rafting, and rock climbing.

➤ **Travel Trade Education**

- **Super-size Fam Tours** - Bring in 100+ travel agents from select markets to experience portions of California at the same time. Agents converge in one location at end of tours to share experiences with others.
- **Establish California Travel Academy** - Bring in large groups of front-line travel sellers from targeted markets to undergo classroom education on “how to sell” California as a destination. Could be incorporated into fam tours indicated above.
- **California Roadshows** - California’s travel trade educators hit the road in select markets to teach agents how to sell California. Expand the CA Games concept currently being utilized in the United Kingdom to involve teams of agents from select operators in series of fun and interactive “games” reflecting California experiences.

Develop global airline partnership to reach captive audience of domestic and international consumers

- **Road Trip (In-flight Video)** - Featuring California celebrity power, the video currently in development will run as an in-flight video showcasing California’s unique vibe and iconic attributes.
- **Co-Branded TV** – A co-branded :30 TV spot can be edited from the road trip video, and aired in overseas markets.

Tie-in with events and programs offering global audiences (consumer and trade) to heighten interest and top-of-mind consideration of California

- **Film Events - Conduct free screenings in select markets to appeal to consumers and the trade (Movie “Sideways” was screened recently)** - Incorporate wine and food tasting. Use radio promotions to select attendees and generate broad consumer exposure. Have tour operators on hand to provide special rates for attendees and encourage bookings onsite or for short term afterward.
- **Best of California Consumer Tourism Fair** - Central London, summer 2006. A ten-day fair showcasing California - featuring CVBs, attractions, airlines, rental cars, tour operators, hotel properties, restaurants, and agricultural commodities. Will seek a national newspaper partner, and support with TV and radio efforts.

Leverage California’s renowned food/wine to connect with international consumers.

- **California Wine Campaign** - Partner with California Wine Institute in Europe, Japan and Canada to do widespread point-of-sale campaign in grocery stores, liquor stores, and other distribution points to promote all of California’s wine regions. Partner with tour operators to sell itineraries to these areas with special fares.
- **California Roadshow** - Utilize tractor trailers around international regions with California Roadshow where consumers can “feel, touch and taste” the state of

California. Setup real-time displays on weekends in selected cities, transporting materials in 'California Find Yourself Here' branded trucks. This concept has strong appeal domestically.

Tap into California's brand character (living life to the fullest) with programs highlighting California's niche products for active adults.

- **California Outdoor Challenge** - Produce TV series similar to "Survivor" and "The Amazing Race" where contestants from around the world compete in various tests of adventure/outdoor feats, capturing it on TV for tape-delayed broadcast.
- **California Cup Golf Invitational** - Golfers vie for the chance to play with a professional golfer in a tournament in California, such as the AT&T Pebble Beach Pro Am, Buick Invitational, etc.
- **Special Event Positioning** - Sponsor London Marathon, providing t-shirts with visitcalifornia.com to all competitors, which would then be broadcast around the world through regular programming.

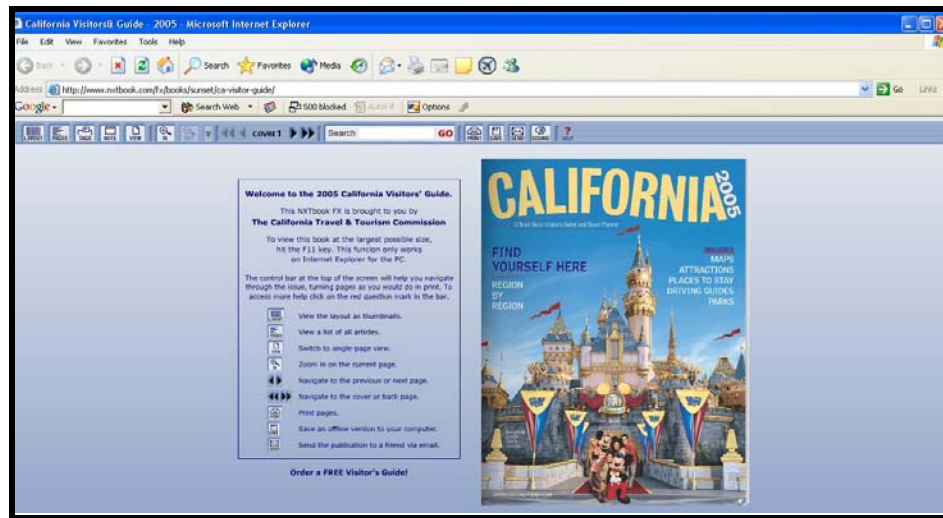
Continue to utilize and/or build on pre-existing promotional assets to reach new international audiences

- **Best of California TV Series** - Updated 13 episodes (30 minutes each) for worldwide distribution. Customization and guaranteed distribution into 10 most important national/international tourism markets.
- **TV Series DVD production** - Produce copies of "Best of California," "California Golf" and "Taste of California" along with "Adventures in Wild California" as a DVD set and distribute to mass audience through retail shops and eBay, Google, etc. Tag with airlines and tour operators as call to action.
- **"Adventures in Wild California" IMAX** - Take on tour through multiple countries not yet exposed to film, especially secondary markets such as Scandinavia, China, Latin America, etc. Reformat for use in regular cinemas to broaden application beyond IMAX format.
- **California TV Channel** - With an introduction by a California celebrity, use satellite uplink in selected international markets such as United Kingdom, Germany, China, Mexico, Japan to show "taped live" broadcasts on delay. Use film of real tourists experiencing the destination with prologues provided by the on air celebrity. Shows feature the real California experience on the beaches, theme parks, Yosemite, Los Angeles, San Francisco, etc. through the eyes of other visitors.
- **Network and Cable TV Sponsorships** - "Buy out" blocks of time on key networks such as Sky Active TV in Europe, which would feature 10-minute videos per hour every hour for a year. Sponsorships would include a link to information pages, competition pages, editorial pages, and reviews. Use partnerships with booking vehicles (such as travel agencies, tour operators or airlines) in each market as call to action and to help defer costs.

IX. (vii) - Electronic Communication

Re-design Web site to align with California's status as premiere destination and industry leader - With the aggressive marketing tactics outlined in this document, visitation and usage of the California Web site is expected to increase its current high level of more than six million hits a month, and over 1.1 million unique visitors per year spending over eight minutes each on the site.

- Consumer enhancements include:
 - on-line, downloadable version of *Visitor's Guide* (see below)
 - online reservations (revenue generator)
 - online store featuring uniquely California merchandise
 - streaming video (showing current TV spots and promotional videos, such as the Road Trip In-flight video)
 - improved functionality and mapping that provides a comprehensive overview of the California travel product
 - translations in key languages, such as Japanese, German and Spanish.
- Other business enhancements include:
 - improved Web Trends and tracking data
 - increased online marketing opportunities (revenue generator)
 - seasonal content updates.



Web screen example of new downloadable *Visitor's Guide* by NxtBook.

Actively develop database of names for follow up communication

- Quarterly newsletters to consumers and the travel trade

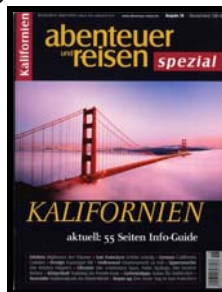
IX. (viii) - Publications/Fulfillment

Increase distribution and scope of *Visitor's Guide* program

- Distribute through direct fulfillment, California State Parks and California Welcome Centers
- Create in-country versions for distribution in the United Kingdom, Japan, Germany and Spain

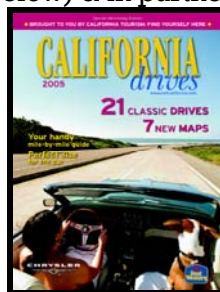


Increase production and distribution of publications in the languages of key international markets (see below)



Continue to distribute key publications in cooperative partnerships:

- *California Drives 2005* (see below) & in partnership with *Sunset Magazine*



- *California Snow* publication in partnership with the California Ski Industry Association

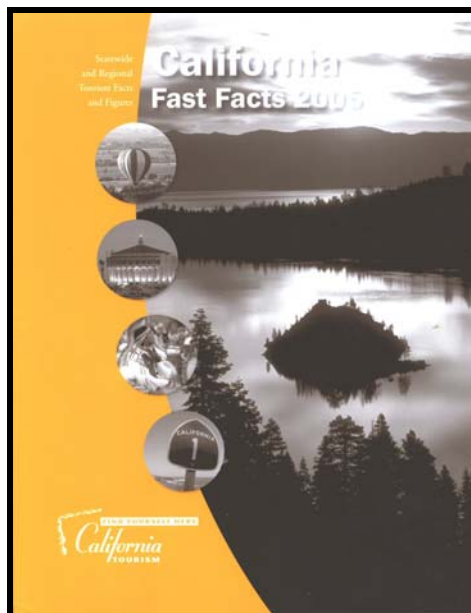


Revamp and distribute *California Official State Map*

X. - Measurement/Research

The CTTC will continue to produce and disseminate a core list of research publications/tools:

- **Domestic Travel Report** - Visitor volume, market share, demographics, and trip characteristics of domestic travelers to and through California.
- **Overseas Visitor Profile** – Numbers and characteristics of overseas visitors to the U.S. and California by market.
- **California Travel Impacts by County** – An annual analysis of statewide and county travel expenditures, jobs, and tax revenues. Impacts are estimated by gathering sales receipts, tax payments and payroll data from various reporting agencies for approximately 20 NAICS categories and subcategories.
- **California Travel Research Bulletin** – Electronic newsletter sent free to subscribers, with most recent reports, links, charts and summaries regarding hotel occupancy, international visitor arrivals, trends, and new releases by other research and marketing data suppliers.
- **California Fast Facts** – Compilation and handy reference to most frequently requested statistics on California travel impacts, visitor volumes, attendance, arrivals, occupancy rates, and market share.



Increased funding allows for an expanded research program, including:

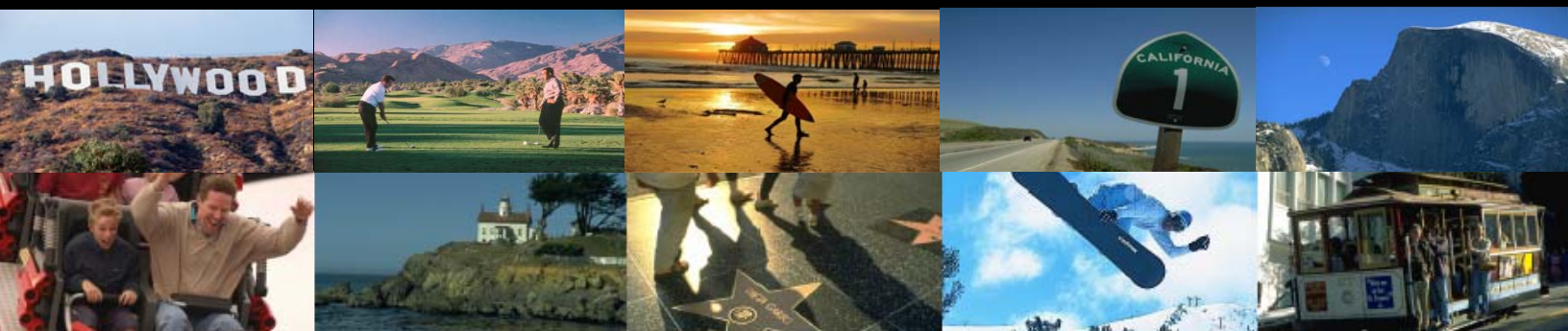
- **Advertising Effectiveness Evaluation** – Awareness, impact on motivation and travel planning, and ROI from expanded advertising campaign.
- **Domestic Visitor Profiles** – Domestic visitor volumes, per capita spending, party size, mode of transportation and main U.S. markets of origin, broken down by county.
- **Key Emerging Overseas Markets: Special Report on China and India** – Demographics, economic forecasts, interviews with airline and travel trade analysts to provide marketing intelligence on two markets where California may expect to see explosive growth in the next five years. Would include recommendations on how California companies should go about prospecting opportunities and establishing a marketing presence in these countries.

CALIFORNIA TRAVEL AND TOURISM COMMISSION
Proposed \$18/\$25 Million Marketing Plan Scenarios
Appendix - Budget Detail Report

CALIFORNIA TOURISM	TOTAL	TOTAL	TOTAL
DRAFT BUDGET SCENARIOS	BUDGET	BUDGET	BUDGET
	FY 04-05	PROJECTED	PROJECTED
CTTC INCOME	8,551,904	18,250,000	25,000,000
MARKETING PROGRAM			
MARKETING/RESEARCH			
Consumer/Co-op			
Cultural Tourism	25,000	50,000	50,000
Cultural Tourism Partners	67,699	0	0
Cultural Heritage Tourism	5,000	5,000	5,000
Cultural Heritage Tourism Partners	7,500	0	0
Fun Spots Promotion	38,317	75,000	75,000
Fun Spots Partners	168,949	0	0
Golf Co-op	10,000	15,000	15,000
Shop California	25,000	25,000	25,000
Video Promotion	50,000	50,000	50,000
Outdoor Recreation Co-op	5,000	0	0
California Snow Co-op	32,000	750,000	750,000
California Snow Partners	0	0	0
Rural Marketing Co-op	86,000	250,000	250,000
Domestic Advertising Co-op	2,025,000	0	0
Domestic Advertising Co-op Partners	49,312	0	0
TBOC Wal-Mart Media	12,500	0	0
TBOC	125,000	175,000	250,000
TBOC Legal Fees	5,000	0	0
TBOC Streaming	10,000	0	0
Advertising	32,905	7,950,000	10,000,000
Total Consumer/Co-op	2,780,182	9,345,000	11,470,000
Domestic Trade Dev			
California Connection	5,000	0	0
Domestic Trade/Consumer Promotions	5,000	30,000	90,000
Domestic Trade Shows	5,000	10,000	25,000
Total Domestic Trade	15,000	40,000	115,000
International Trade Dev			
CTM	5,000	0	0
International Co-ops	0	150,000	300,000
Japan Representation	60,000	150,000	200,000
UK Representation	60,000	150,000	200,000
Germany Representation	40,000	100,000	150,000
Australia Representation	50,000	75,000	100,000
Mexico Representation	0	25,000	100,000
Canada Representation	0	25,000	100,000
China Representation	0	25,000	100,000
Europe Representation	0	0	200,000
So. Korea Representation	0	0	100,000
India Representation	0	0	50,000
Brazil Representation	0	0	75,000
Niche Markets	0	0	100,000
Trade Shows/Exhibitions	87,829	150,000	500,000
Japan Mission	50,000	0	0
Japan Mission Partners	94,041	0	0
Trade Show Booth/Banners	10,000	75,000	100,000
Market Dev. Co-operator Prog.	5,000	5,000	5,000
Fam Tours/Promotional Opportunities	10,000	100,000	200,000
Travel Trade Development	12,000	0	0
Publications	0	50,000	100,000
International Fulfillment	10,000	25,000	50,000
Web Site Translations	0	75,000	200,000
Governor's Mission Support	0	50,000	250,000
Global Projects	0	45,000	1,095,000
Total Int'l Trade Dev	493,870	1,275,000	4,275,000
Research			
Economic Impact Analysis	80,000	95,000	95,000
Domestic Market Research	81,500	100,000	130,000
International & Web Research	38,500	80,000	90,000
Marketing Effectiveness and ROI	0	160,000	240,000
Research Website	0	10,000	30,000
Bulletins and Special Studies	69,369	55,000	65,000
Total Research	269,369	500,000	650,000
VISITOR INFO/COMM			
Publications/Visitor Info			
Web Site Maintenance (1)	50,000	0	0
Web Site Hosting (Teale) (1)	7,000	0	0
Internet Assessment List (1)	20,000	0	0
Web Site Development & Maintenance	0	600,000	700,000
Web Trends Software	0	10,000	10,000
Fulfillment Contractor	225,000	360,000	450,000
Fulfillment Postage	550,000	600,000	700,000
Fulfillment Postage Partners	7,500	0	0
Special Fulfillment Project	23,000	0	0
Visitor's Guide	0	40,000	40,000
Special Events Publication	0	40,000	40,000
Niche Publications (golf, food, shop)	0	10,000	15,000
Expanded Official State Map	0	20,000	25,000
Student Packets	0	5,000	5,000
Winter Guide (2)	75,000	75,000	75,000
Driving Tour Co-op	20,000	0	0
Online Store	0	5,000	5,000
Photography	9,569	10,000	10,000
Welcome Centers	20,125	15,000	15,000
Welcome Centers Partners	3,775	0	0
Total Publications	1,010,969	1,790,000	2,090,000

CALIFORNIA TRAVEL AND TOURISM COMMISSION
Proposed \$18/\$25 Million Marketing Plan Scenarios
Appendix - Budget Detail Report

CALIFORNIA TOURISM	TOTAL	TOTAL	TOTAL
DRAFT BUDGET SCENARIOS	BUDGET	BUDGET	BUDGET
	FY 04-05	PROJECTED	PROJECTED
CTTC INCOME	8,551,904	18,250,000	25,000,000
Media Relations			
New York Press Event	50,500	60,000	75,000
California Media Events	20,000	40,000	40,000
Dallas Media Event	0	30,000	30,000
Chicago Media Event	0	30,000	30,000
Phoenix Media Event	0	20,000	20,000
Media Relations Consultant	60,000	100,000	125,000
Regional Marketing Reps	0	296,000	300,000
Domestic Media Outreach	7,500	125,000	200,000
International Media Outreach	7,500	150,000	200,000
Governor's Mission PR Support	0	250,000	250,000
Web Translations - Press Page	0	40,000	40,000
CTM Media Outreach	2,500	2,500	2,500
What's New in Calif/Press Releases	17,000	25,000	25,000
SATW	2,000	5,000	5,000
Insights	60,000	75,000	75,000
Press Kits	5,500	22,500	37,500
Translations	2,500	20,000	25,000
Videography	20,000	50,000	50,000
B-Roll	15,892	40,000	50,000
Germany PR Contractor	14,000	100,000	100,000
Japan PR Contractor	14,000	100,000	100,000
UK PR Contractor	14,000	100,000	100,000
Australia PR Contractor	0	25,000	50,000
Mexico PR Contractor	0	25,000	50,000
Canada PR Contractor	0	25,000	50,000
China PR Contractor	0	25,000	50,000
Newsclipping Service	7,122	15,000	20,000
Total Media Relations	320,014	1,796,000	2,100,000
SUBTOTAL MARKETING	4,889,404	14,746,000	20,700,000
MARKETING RESERVE (3)	215,500	200,000	200,000
TOTAL MARKETING	5,104,904	14,946,000	20,900,000
OPERATIONS			
Accounting	45,000	46,000	50,000
Audit	24,000	24,000	28,000
Consultants & Expenses	296,000	0	0
Communications Outreach	75,000	82,000	90,000
Computers/Office Equip	78,000	80,000	80,000
Database	30,000	30,000	30,000
Depreciation	0	0	0
General Expense	73,000	71,000	80,000
Insurance	39,000	46,000	60,000
Legal Services	75,000	75,000	80,000
Meals and Entertainment	10,000	10,000	10,000
Meetings	60,000	60,000	60,000
Memberships	15,000	10,000	15,000
Move Expense	0	0	0
Postage and Printing	125,000	115,000	125,000
Rent	134,000	135,000	137,000
Salaries and Benefits	1,340,000	1,500,000	2,000,000
Telephone	35,000	40,000	50,000
Teleconferences	15,000	20,000	30,000
Training	5,000	10,000	15,000
Travel - Executive/Staff	125,000	140,000	150,000
Travel - Commissioners	10,000	10,000	10,000
Total Operations	2,609,000	2,504,000	3,100,000
ASSESSMENT ADMIN			
Salaries and Benefits	433,000	438,000	538,000
General Expense	312,000	312,000	362,000
Consultant Services	50,000	50,000	100,000
Total Assessment	795,000	800,000	1,000,000
CTTC OPERATIONS RESERVE	43,000	0	0
TOTAL OP/ASSESS/RES	3,447,000	3,304,000	4,100,000
TOTAL	8,551,904	18,250,000	25,000,000
NOTES:			
(1) These line items are merged into "Web Site Development & Maintenance" for the projected budgets			
(2) Winter Guide included in Co-op budget for the project budgets			
(3) For the Budget Summary Report, the reserve has been divided equally between Domestic Co-op and Communications/Media Relations			



State of California

Arnold Schwarzenegger, Governor

Sunne Wright McPeak, Secretary, California Business, Transportation and Housing Agency
Chair CTTC

Caroline Beteta, Deputy Secretary, California Business, Transportation and Housing Agency
Executive Director, CTTC

Mission

The California Travel and Tourism Commission is a non-profit organization with a mission to develop and maintain marketing programs - in partnership with the state's travel industry - that keep California top-of-mind as a premier travel destination.

About the California Travel and Tourism Commission

The California Travel and Tourism Commission (CTTC) is a not-for-profit, 501(C)(6) corporation formed in 1997 and operates under the auspices of the California Business, Transportation and Housing Agency. Secretary Sunne Wright McPeak serves as Chair of the organization. The 37-member CTTC board is comprised of individuals from all 12 regions of California. Members represent four principle industry sectors: Accommodations; Restaurants and Retail; Attractions and Recreation; and Transportation and Travel Services. In addition, a 34-member statewide Marketing Advisory Committee provides input in developing the annual marketing plan and related promotional activities.

California Tourism Staff/Program Contacts

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Terry Selk – Travel Trade
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